

8 June 2022

Rangatira Che Maxwell fyi-request-19089-a730cf57@requests.fyi.org.nz

Tēnā koe Rangatira Che Maxwell

Thank you for your request of 7 April 2022 to the Reserve Bank of New Zealand – Te Pūtea Matua made under the Official Information Act 1982 (OIA), as follows:

A document from the RBNZ website titled "Handling banknotes: a guide for the public (2016)" states the following point on page 6:

"You should be able to see a shadow image of the H. M. Queen Elizabeth II when you hold the note to the light."

https://www.rbnz.govt.nz/research-and-publications/fact-sheets-and-guides/security-features-of-new-zealands-banknotes-series-7

Additionally, a document titled "Security features of New Zealand banknotes (2008)" also states the same for Series 6 notes.

https://www.rbnz.govt.nz/research-and-publications/fact-sheets-and-guides/factsheet-security-features-of-nzs-banknotes-series-6

Given that said 2008 & 2016 documents indicate that notes should feature the shadow-image of the Queen, and that Series 7 polymer notes were issued in 2015/16, it follows that the Queen's image should be visible on those notes, but is not.

The above RBNZ public statements are cause for confusion by possible mis-statement or otherwise, and in the interests of the people, and indeed the honour of the Sovereign, an explanation is hereby sought for the omission of said image from Series 7 notes, including a request for the provision of any official orders given or gazetted in relation to said omission.

On 1 June 2022, we received an email from the Office of the Ombudsman asking for information about the RBNZ's delayed response to your request. This was when we were first alerted to your request and the RBNZ would like to apologise for the delay. We have investigated the circumstances and found that your email to 'RBNZ Info' was missed as a result of human error. This has been discussed with the team involved and processes are being put in place to ensure this does not occur again.

Response

I note that you say in your request that the 2016 RBNZ document titled "<u>Handling banknotes</u>: a guide for the public" indicates on page six that series 7 banknotes should feature a shadow image of the Queen as a security feature. However, the heading of that section, also on page six, is "Checking Notes from the Previous Series", and does not apply to the series 7 banknotes. Page one of the document details the security features of the series 7 banknotes, which do not include the shadow image of the Queen as one of the security features.

In terms of why shadow images were not used as a security feature in series 7 banknotes, the reason lies in the new and more advanced technology and the strength of previously used security features. In the case of New Zealand's banknotes, the use of a shadow image in previous series was a low technology security feature popular when banknotes were printed on rag paper, and is now one which forgers can mimic more easily. It is also a feature which takes up a lot of space on the banknote, which reduces the opportunity to include more robust features such as the larger window.

The larger window that appears on the series 7 banknotes – 3D and metallic features, shining bar that moves within the smaller bird on the front and fern on the back, and puzzle feature – are significantly more advanced, less open to successful counterfeiting, and easier for people checking banknotes to see and confirm authenticity.

As you will understand, the reason for security features on banknotes is to prevent largescale and successful counterfeiting of currency. A banknote series should ideally last many years before it risks being compromised by the technology becoming available to criminals, so the series 7 banknotes featured these new security features. These were covered widely in media at the time of introduction and the RBNZ published the following resource on our website in 2014 about them: Security features of New Zealand's banknotes: Series 7 - Reserve Bank of New Zealand (rbnz.govt.nz).

Security considerations also made up part of the design phase of the series 7 banknotes, and were discussed in a 2014 RBNZ Bulletin article, which is available on the RBNZ website at Designing New Zealand's new banknote series - Reserve Bank of New Zealand (rbnz.govt.nz).

In terms of your request for copies of "any official orders given or gazetted in relation to said omission", section 25(2) of the Reserve Bank of New Zealand Act 1989 makes the RBNZ the sole authority for determining the denominations, form, design, content, weight, and composition of its notes and coins. As such, this part of your request is declined under section 81(e) of the OIA, as the information requested does not exist.

You may also be interested to know that on 7 June 2022 we published an RBNZ Bulletin article to mark the Queen's Platinum Jubilee, which tells the stories behind the nine images of the Queen which have appeared on New Zealand's banknotes and coins. This article is available at <u>The Queen on New Zealand's currency</u>.

The OIA allows charges to be imposed for the preparation of information in response to requests. The RBNZ is resourced to meet disclosure obligations for a reasonable level of requests and the cost of providing free responses to official information requests is generally borne by taxpayers. However, the RBNZ believes that requesters should bear some of the costs, where allowable under the OIA, when requests are made for large amounts of information, where a response is particularly complex, or where individuals or organisations make frequent requests. In this instance, no charge is being made under the OIA.

You have the right to seek an investigation and review of this response by the Ombudsman, in accordance with section 28(3) of the OIA. The relevant details can be found on the Ombudsman's website at www.ombudsman.parliament.nz.

Please note that we intend to publish a copy of this response <u>with your identifying information removed</u> on the RBNZ website at <u>www.rbnz.govt.nz/research-and-publications/official-information-requests.</u> Responses to requests are published in order to improve public transparency and provide an additional resource for anyone seeking information.

Yours sincerely

Ruth Duncan

Senior Advisor, Government and Industry Relations

Reserve Bank of New Zealand - Te Pūtea Matua